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SUBJECT: GREEK CYPRIOTS "FULLY SATISFIED" WITH PARIS TALKS
AND THE NEW "BOTTOM UP" APPROACH; TURKISH CYPRIOTS SHOCKED
AND ANGRY

REF: NICOSIA 273

Classified By: Ambassador Ronald L. Schlicher; Reason 1.4 (b)
and (d)

11. (C) Summary: The February 28 meeting between Cypriot President Papadopoulos and UN SYG Kofi Annan resulted in agreement on a "bottom up" approach to the Cyprus issue that would begin with technical-level talks aimed at preparing the ground for the resumption of negotiations on a comprehensive settlement. Predictably, the Greek Cypriot side is stressing its "complete satisfaction" with the outcome of the meeting. The pro-government press in the south is presenting the joint statement as both an important step forward on the Cyprus issue and a clear win for the Greek Cypriot side. In contrast, Turkish Cypriot contacts told us that they had been "shocked" by the content of the joint statement and the apparent endorsement of Greek Cypriot ideas on Famagusta/Varosha and demilitarization. For the Turkish Cypriot side, these were fundamental issues that could only be addressed in the context of an overall settlement. UNFICYP COM Moller, who was present in Paris, told us that Papadopoulos had seemed "hell bent on moving forward." Moller understood that the Turkish Cypriots had some concerns about the statement and said he planned to reach out to key decision-makers in the north to smooth any ruffled feathers. Moller stressed that he had agreement in writing from the Turkish Cypriot side to pursue the idea of technical level talks. Although Papadopoulos had asked for the SYG to appoint a new special envoy, Moller told us that they SYG had pushed back hard. There was a significant gap, Annan told Papadopoulos, between the Greek Cypriot side's words and its deeds. UN U/S Gambari might visit the island after elections, but only if there had been real progress in the technical level talks. While Talat would not relish the mantle of the intransigent party, there is risk he may end up trapped in that role by the competing demands of Papadopoulos, the UN and the Turkish army. End Summary.

Greek Cypriots Predictably Pleased

12. (C) Predictably, Cypriot President Tassos Papadopoulos' supporters have been waving the flag of victory following his February 28 meeting in Paris with UN SYG Kofi Annan. House President and AKEL leader Demetris Christofias described the outcome of the meeting as "very positive" and stressed that the technical level talks agreed to in the Paris meeting would deal not only with CBMs but also with issues directly related to a settlement such as demilitarization and the development of a unified economy. The pro-government press

highlighted the communique negotiated in advance of the meeting, emphasizing that the joint statement was fully in line with the GOC position. (Note: the complete text of the statement follows below in paragraph 15.) Local TV and radio emphasized the GOC's satisfaction with the Paris talks and predicted rapid and significant developments on the Cyprus issue in the months ahead. Menelaos Menelaou from the President's Diplomatic Office told us on March 1 that the government was "completely satisfied" with both the communique and the outcome of the talks. Menelaou expected that UNFICYP COM Moller would move quickly to reach agreement on an agenda and begin technical level talks between the two sides. Menelaou confirmed for us that his boss, Tasos Tzionis, would likely be in charge of the Greek Cypriot side's participation.

¶3. (C) The opposition DISY party pointed out that the Greek Cypriot side had not achieved its primary objective for the meeting, the appointment of a new special envoy. DISY leader Anastassiades called the joint statement a return to the past and the unsuccessful 1994 confidence building measures. GOC spokesman Lillikas countered DISY's charge by stressing that UNFICYP COM Moller's role in the Cyprus process "will be upgraded," adding that the agreement with the SYG gave the Greek Cypriot side more than it had asked for.

The MFA's Take

¶4. (C) In a briefing for the Diplomatic Corps on March 1, MFA PermSec Sotos Zakheos described the meeting as "very positive," "excellent in tone," and "enormously constructive." He also stressed that there was "very good chemistry between the principals." Zakheos reported that a decision had been made to establish a mechanism consisting of

UNFICYP COM Moller, a representative of President Papadopoulos and a representative of Talat to work on a "bottom up" approach to the Cyprus issue. This umbrella mechanism would then agree on a number of sub-committees to work on a range of technical issues. Each side, Zakheos explained, had its own ideas about what issues to focus on. The Greek Cypriot side, for example, would push for progress on demining, the demilitarization of sensitive sites, land-use issues, etc. Zakheos was particularly pleased that the joint statement included a specific reference to the GOC's Famagusta/Varosha proposal. The concept of engagement went beyond CBMs. The idea was not simply to normalize or ameliorate various aspects of the current situation, but rather to prepare the ground for the earliest possible resumption of meaningful negotiations. According to Zakheos, Papadopoulos told the SYG that Gul's proposal's on the simultaneous easing of restrictions "could not be implemented" and Annan acknowledged that the GOT's customs union obligations were unconditional.

¶5. (C) Zakheos noted that neither side used the phrase "Annan Plan" in the course of the conversation. In Paris, Papadopoulos also gave his approval to the nomination of a new third (UN) member to serve on the Committee on Missing Persons. Talat's illness had prevented him from approving the name, which was why the appointment had not yet been announced. (Note: We have since learned from CMP sources that the presumptive third member is Christophe Girod, a Swiss national and long-time ICRC official).

From The Horse's Mouth

¶6. (C) UNFICYP COM and SRS Michael Moller, who was present in the meeting, told us that he and the SYG were both pleased with the substance and tone of the talks. According to Moller, Papadopoulos was "hell bent on moving forward" and was ready to meet with Talat (albeit only within the context of the CMP). Papadopoulos stressed his personal commitment to a Cyprus settlement and underscored his "wounded feelings" at being portrayed as the new Dr. No. Moller understood that

the Turkish Cypriots had some reservations about the joint statement and he intended to speak with Talat's advisor, Rasit Pertev, to try and smooth the ruffled feathers. Moller had agreement from Pertev in writing to the concept of a "bottom up" technical process. The Turkish Cypriot side had agreed to a list of issues for discussion that included health, the environment, water, crime, and similar concerns. The Turkish Cypriots were clearly unhappy that the joint statement made specific reference to Greek Cypriot issues such as demilitarization and Famagusta. Moller himself had insisted on including the word "also" in the statement as a way addressing the anticipated Turkish Cypriot concerns. Moller noted that he would meet Friday morning with Pertev and Tzionis to discuss the way forward. After that meeting, Moller intended to travel to Ankara for meetings. He stressed the important role the United States could play in encouraging Ankara to be supportive of the technical committees and to give Talat the negotiating room he needed to reach agreements. This would be particularly important on the issue of demilitarization and unmanning in the old city.

¶17. (C) Moller told us that -- as expected -- Papadopoulos had pressed for the SYG to appoint a special envoy for Cyprus. Annan had pushed back quite hard on this, observing that there was still a significant gap between the Greek Cypriot side's words and its deeds. Annan indicated that UN U/S Gambari "might" visit Cyprus after the May elections, but only if there had been real progress in the technical committees.

Joint Statement "Shocks" Turkish Cypriots

¶18. (C) The Turkish Cypriot press has downplayed the Annan-Papadopoulos meeting, suggesting it produced "no tangible results." This reflects the widely held belief in the north that Papadopoulos had only sought the meeting to burnish his own image, and that Greek Cypriot talk of "preparing the ground" was only a ruse to camouflage their unwillingness to engage in serious negotiations directly with Talat. Turkish Cypriots remain skeptical that talk about talks with the current Greek Cypriot administration will actually lead anywhere.

¶19. (C) Turkish Cypriot officials, however, are aghast at the statement issued by Papadopoulos and Annan after the meeting. Kudret Akay, political advisor to "FM" Serdar Denktash, expressed dismay that the SYG compromised his neutrality by agreeing to any joint statement with Papadopoulos. He wondered if Annan had "suffered a blow to the head" before he co-signed the statement.

¶110. (C) Talat's Private Secretary, Asim Akansoy, focused on the content of the statement. Talat (who is still in the hospital) had been "shocked" when he read the Secretary General's apparent endorsement of the idea that progress on Famagusta (i.e., Varosha) and demilitarization were preconditions for successful talks. These were fundamentally settlement-related issues, Akansoy said, that would mainly involve hard concessions from the Turkish Cypriot side -- and therefore could only be addressed in the context of "full-blown and comprehensive" talks between the two leaders. Reclassifying such sensitive topics as preconditions for talks or "technical confidence building measures" would "turn the clock back" to before the Annan Plan.

¶111. (C) According to Akansoy, the Turkish Cypriots had already called UNFICYP Chief Michael Moller to express their dismay at the content of the joint declaration. The "Presidency" had not decided if it would issue public statement reflecting their concerns; "first, we have pick ourselves up off the floor," Akansoy said. The only bright spot, from the Turkish Cypriot perspective, was Deputy Spokesman Ereli's statement that as far as the U.S. was concerned, the Annan Plan remained the basis for further

talks.

Turkish Cypriots "Fear a Trap"

¶12. (C) While the Turkish Cypriots have repeatedly stated their willingness to open a bicomunal dialogue under UN auspices, they are likely to very wary of the sort of technical talks suggested in the joint declaration. In a discussion with us just prior to the Annan-Papadopoulos meeting, Talat's U/S Rasit Pertev expressed fears that UN-brokered technical talks on confidence building measures, could represent another "Luxembourg trap." (COMMENT: Pertev was referring to the fact that the Turkish Cypriots' willingness to discuss Varosha and other settlement-related issues in an EU framework last year had gotten them "nothing but grief." It had, he said, led to an EU declaration implying linkage between further help from Europe and Turkish Cypriot concessions on the settlement questions of Varosha and property (reftel). END COMMENT.)

¶13. (C) Putting issues of vital interest on the table during the Luxembourg talks had not resulted in a good dialogue or fair exchange, Pertev stressed, but had simply allowed Papadopoulos to play up the idea that the Turkish Cypriots were the intransigent side. Talat might agree to talks on "purely technical issues," Pertev said, such as bird flu, HIV, or maybe the Committee on Missing Persons. These were issues of common interest that the two sides would "have to discuss anyway," even if there was never a solution. But there was a "fine line" the Turkish Cypriots would "not cross." Talat, he suggested, would only consent to discussion of settlement-related issues in the context of comprehensive face-to-face talks between leaders. Papadopoulos could not be allowed to say that he supported UN-brokered dialogue on one hand, but then refuse to meet his Turkish Cypriot counterpart.

COMMENT

¶14. (C) The Turkish Cypriots consider the SYG's joint statement with Papadopoulos to be a poke in the eye, made all the worse in light of a declaration made by the EU when it approved its aid measure earlier in the week. The Turkish Cypriots are clearly worried that "technical talks" on confidence building measures could involve hard choices and compromises on issues they consider vital -- without any guarantee that Papadopoulos will make tough concessions of his own, or even agree to meet Talat. Indeed, because Varosha and demilitarization touch squarely on Turkish military equities, Talat probably has very little flexibility on these issues outside the context of comprehensive settlement negotiations fully endorsed by Ankara. It remains to be seen if the Turkish Cypriots' initial willingness to engage in "technical talks" will translate into an actual dialogue. Although Talat does not relish being the intransigent party, he may end up trapped in this role by the competing demands of Tassos Papadopoulos, the UN, and the Turkish army.

TEXT OF JOINT STATEMENT

¶15. (U) Begin Text of the Statement issued following the February 28 meeting between SYG Annan and President Papadopoulos:

United Nation's Secretary-General Mr. Kofi Annan and President Tassos Papadopoulos met in Paris today to review the situation in Cyprus and examine modalities for moving forward on the process leading to the reunification of the island.

They agreed, as they have in the past, that the resumption of the negotiating process within the framework of the Secretary-General's Good Offices must be timely and based on

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Careful preparation. To that end, the Secretary-General was pleased to note that the leaders of both communities have agreed that bi-communal discussion on a series of issues, agreement on which are needed for the benefit of all Cypriots, will be undertaken at the technical level. The Secretary-General and President Papadopoulos expressed their

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common hope that these discussions would help restore trust between the two communities as well as prepare the way for the earliest full resumption of the negotiating process. The Secretary-General noted that he had received assurances from

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the leader of the Turkish Cypriot community, Mr. Talat, that he shared the same aspirations.

The Secretary-General and Mr. Papadopoulos also agreed that it would be beneficial for all concerned, and would greatly improve the atmosphere for further talks, if progress could be achieved on further disengagement of forces and demilitarization on the island, on the complete de-mining of Cyprus, and on the issue of Famagusta. They took note of the recent decision by the European Union to release the much awaited funds for the benefit of the Turkish Cypriot community. In this context, they expressed their warm wishes for the full and speedy recovery of Mr. Talat.

The Secretary-General and President Papadopoulos agreed to continue their ongoing dialogue with the expressed aim at accelerating the search for a comprehensive, fair and mutually acceptable solution to the Cyprus problem.

End Text.

SCHLICHER